

For Six Month Period Ending 04/30/2009
(Insert date)

I - REGISTRANT

1. (a) Name of Registrant
DTB Associates LLP

(b) Registration No.
5890

(c) Business Address(es) of Registrant
901 New York Avenue, 3rd floor, mailbox 12,
Washington, DC, 20001

2. Has there been a change in the information previously furnished in connection with the following:

- (a) If an individual:
- | | | |
|---------------------------|------------------------------|--|
| (1) Residence address(es) | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (2) Citizenship | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (3) Occupation | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
- (b) If an organization:
- | | | |
|--------------------------|------------------------------|--|
| (1) Name | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (2) Ownership or control | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (3) Branch offices | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
- (c) Explain fully all changes, if any, indicated in items (a) and (b) above.

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4 AND 5(a).

3. If you have previously filed Exhibit C¹, state whether any changes therein have occurred during this 6 month reporting period.

Yes ☐ No ☒

If yes, have you filed an amendment to the Exhibit C? Yes ☐ No ☐

If no, please attach the required amendment.

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2009 JUN -2 AM 10:55

¹ The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, National Security Division, U.S. Department of Justice, Washington, DC 20530.)

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4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name	Position	Date connection ended
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- (b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
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5. (a) Has any person named in item 4(b) rendered services directly in furtherance of the interests of any foreign principal? Yes ☐ No ☒

If yes, identify each such person and describe his service.

- (b) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name	Position or connection	Date terminated
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- (c) During this 6 month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes ☐ No ☒

If yes, furnish the following information:

Name	Residence address	Citizenship	Position	Date assumed
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6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(c) of the supplemental statement? Yes ☐ No ☒

If no, list names of persons who have not filed the required statement.

No applicable since no new partners; officials or employees rendered services for the foreign principal.

II - FOREIGN PRINCIPAL

7. Has your connection with any foreign principal ended during this 6 month reporting period?

Yes ☒ No ☐

If yes, furnish the following information:

Name of foreign principal

Date of termination

Embassy of Ecuador - (contract ended April 30, 2009)

April 30, 2009

8. Have you acquired any new foreign principal² during this 6 month reporting period?

Yes ☐ No ☒

If yes, furnish the following information:

Name and address of foreign principal

Date acquired

9. In addition to those named in Items 7 and 8, if any, list foreign principals² whom you continued to represent during the 6 month reporting period.

None

10. **EXHIBITS A AND B**

(a) Have you filed for each of the newly acquired foreign principals in Item 8 the following:

Exhibit A ³	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Exhibit B ⁴	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during the 6 month period? Yes ☐ No ☒

If yes, have you filed an amendment to these exhibits? Yes ☐ No ☒

If no, please attach the required amendment.

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2009 JUN -2 AM 10:55

² The term "foreign principal" includes, in addition to those defined in Section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9).) A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

³ The Exhibit A, which is filed on Form NSD-3 (Formerly CRM-157), sets forth the information required to be disclosed concerning each foreign principal.

⁴ The Exhibit B, which is filed on Form NSD-4 (Formerly CRM-155), sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

III - ACTIVITIES

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11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, and 9 of this statement? Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail your activities and services:

Embassy of Ecuador - The registrant supplied embassy staff with informational materials before meetings with public officials, and with a statement for the USTR. These materials consist in economic data demonstrating trade between Ecuador and U.S. and were already filed with this office (see informational materials previously filled with report from February 2, 2009). Additional statement for the USTR are attached to this report.

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12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity⁵ as defined below? Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates and places of delivery, names of speakers and subject matter.

Embassy of Ecuador - The registrant supplied embassy staff with informational materials before meetings with public officials, and with a statement for the USTR. These materials consist in economic data demonstrating trade between Ecuador and U.S. and were already filed with this office (see informational materials previously filled with report from February 2, 2009). Additional statement for the USTR are attached to this report.

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals? Yes ☐ No ☒

If yes, describe fully.

⁵ The term "political activities" means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14. (a) RECEIPTS - MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes ☒ No ☐

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies⁶.

Date	From whom	Purpose	Amount
2/3/2009	Embassy of Ecuador	Professional services	48,000.00
2/3/2009	Embassy of Ecuador	Reimb. for taxis, WITA event	106.53
2/4/2009	Embassy of Ecuador	Reimb. for taxis, and WITA event	186.00
4/1/2009	Embassy of Ecuador	Reimb. for taxis, and WITA event	294.27
5/5/2009	Embassy of Ecuador	Reimb. for taxis, and research (invoices attached)	418.00

49,007.80

Total

(b) RECEIPTS - FUND RAISING CAMPAIGN

During this 6 month reporting period, have you received, as part of a fund raising campaign⁷, any money on behalf of any foreign principal named in items 7, 8, or 9 of this statement? Yes ☐ No ☒

If yes, have you filed an Exhibit D⁸ to your registration? Yes ☐ No ☒

If yes, indicate the date the Exhibit D was filed. Date _____

(c) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁹ other than money from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes ☐ No ☒

If yes, furnish the following information:

Name of foreign principal	Date received	Description of thing of value	Purpose
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2009 JUN - 2 10:55

^{6, 7} A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. (See Rule 201(e).)

⁸ An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fund raising campaign and transmitted for a foreign principal.

⁹ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMENTS – MONIES

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes ☒ No ☐

(2) transmitted monies to any such foreign principal? Yes ☐ No ☒

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To whom	Purpose	Amount
2/7/2009	Cresencio Arcos	Subcontractor registered in connection to this contract	24,000.00

24,000.00

 Total

(b) DISBURSEMENTS – THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value¹⁰ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, or 9 of this statement?

Yes ☐ No ☒

If yes, furnish the following information:

Date disposed	Name of person to whom given	On behalf of what foreign principal	Description of thing of value	Purpose
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(c) DISBURSEMENTS – POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value¹¹ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes ☐ No ☒

If yes, furnish the following information:

Date	Amount or thing of value	Name of political organization	Name of candidate
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2009 JUN -2 AM 10:55
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^{10, 11} Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks" and the like.

V - INFORMATIONAL MATERIALS

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials ¹²?
 Yes ☒ No ☐

IF YES, RESPOND TO THE REMAINING ITEMS IN SECTION V.

17. Identify each such foreign principal.

Embassy of Ecuador

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes ☐ No ☒

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following:

- | | | | |
|---|--|--|---|
| <input type="checkbox"/> Radio or TV broadcasts | <input type="checkbox"/> Magazine or newspaper articles | <input type="checkbox"/> Motion picture films | <input type="checkbox"/> Letters or telegrams |
| <input type="checkbox"/> Advertising campaigns | <input type="checkbox"/> Press releases | <input type="checkbox"/> Pamphlets or other publications | <input type="checkbox"/> Lectures or speeches |
| <input type="checkbox"/> Internet | <input checked="" type="checkbox"/> Other (specify) <u>Informational Fact Sheets</u> | | |

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups:

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Public officials | <input type="checkbox"/> Newspapers | <input type="checkbox"/> Libraries |
| <input checked="" type="checkbox"/> Legislators | <input type="checkbox"/> Editors | <input type="checkbox"/> Educational institutions |
| <input checked="" type="checkbox"/> Government agencies | <input checked="" type="checkbox"/> Civic groups or associations | <input type="checkbox"/> Nationality groups |
| <input type="checkbox"/> Other (specify) _____ | | |

21. What language was used in the informational materials:

- ☒ English ☒ Other (specify) or Spanish when applicable

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes ☒ No ☐

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act? Yes ☒ No ☐

¹² The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

VI – EXECUTION

In accordance with 28 U.S.C. §1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)

(Type or print name under each signature¹³)

05/29/2009



CARLOS MATEO PAZ-SOLDAN

5/28/2009



MARISA FERREIRA

May 28, 2009



CRESENCIO ARCOS

2009 JUN -2 AM 10:55
 CRM/CES/REGISTRATION UNIT

¹³ This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.



U.S. Department of Justice

National Security Division

Washington, DC 20530

THIS FORM IS TO BE AN OFFICIAL ATTACHMENT TO YOUR CURRENT SUPPLEMENTAL
STATEMENT - PLEASE EXECUTE IN TRIPLICATE

SHORT-FORM REGISTRATION INFORMATION SHEET

SECTION A

The Department records list active short-form registration statements for the following persons of your organization filed on the date indicated by each name. If a person is not still functioning in the same capacity directly on behalf of the foreign principal, please show the date of termination.

Short Form List for Registrant: DTB Associates, LLP

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Paz-Soldan	Carlos Mateo	10/28/2008	4/30/09	
Ferreira	Marisa	10/28/2008	4/30/09	
Arcos	Cresencio S.	12/11/2008	4/30/09	

2009 JUN -2 AM 10:55
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U.S. Department of Justice

National Security Division

Washington, DC 20530

SECTION B

In addition to those persons listed in Section A, list below all current employees rendering services directly on behalf of the foreign principals(s) who have not filed short-form registration statements. (Do not list clerks, secretaries, typists or employees in a similar or related capacity). If there is some question as to whether an employee has an obligation to file a short-form, please address a letter to the Registration Unit describing the activities and connection with the foreign principal.

Name	Function	Date Hired
N/A		

Signature: [Signature]

Date: 5/28/2009

Title: _____

2009 JUN -2 AM 10:55
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UNITED STATES DEPARTMENT OF JUSTICE
FARA REGISTRATION UNIT
NATIONAL SECURITY DIVISION
WASHINGTON, D.C. 20530

NOTICE

Please answer the following questions and return this sheet in triplicate with your Supplemental Statement:

1. Is your answer to Item 16 of Section V (Informational Materials – page 8 of Form NSD-2, formerly Form CRM-154 Supplemental Statement):

YES _____ or NO _____

(If your answer to question 1 is "yes" do not answer question 2 of this form.)

2. Do you disseminate any material in connection with your registration:

YES X (DOC. ATTACHED) or NO _____

(If your answer to question 2 is "yes" please forward for our review copies of all material including: films, film catalogs, posters, brochures, press releases, etc. which you have disseminated during the past six months.)

Mariela Ferreira

Signature

5/28/2008

Date

MARISA FERREIRA

Please type or print name of
Signatory on the line above

Title

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JUN -2 AM 10:55

Registrant # 5890

The attached Document was prepared by registrant for the Embassy of Ecuador.

2009 JUN -2 AM 10:56
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**Embassy of Ecuador
Washington D.C.**

**Comments by the Embassy of the Republic of Ecuador to
the United States of America before the Office of the
United States Trade Representative**

March 6, 2009

In the Matter of: "ATPA Beneficiary Countries"

I. Introduction:

The Embassy of the Republic of Ecuador (hereinafter the Embassy) submits the following comments in response the Office of the United States Trade Representative's (USTR) request for comments pursuant to section 203(f) of the ATPA, as amended, 19 U.S.C. 3202 (f)(2), as published in the Federal Register on February 9, 2009, concerning fulfillment of the ATPA's eligibility criteria by the designated beneficiary countries, in this case, Ecuador.

The ATPA has been a cornerstone of U.S. counternarcotics efforts in the Andean region and is premised on preventing the expansion of the illicit drug trade through the generation of legal business and employment opportunities in Ecuador and other Andean countries by way of increased trade with the U.S. For its part, President Rafael Correa's administration has placed a high priority on combating narcotics production and trafficking. The 2009 "International Narcotics Control Strategy Report" (INCSR) issued by the U.S. State Department's Bureau of International Narcotics and Law Enforcement Affairs details the accomplishments of the Correa administration in terms of total drug seizures, the destruction of cultivated areas, and efforts to curtail the drug trade¹. Concerning Ecuador, the report further notes that President Correa's creation of an Anti-Corruption Secretariat in 2007 is helping to strengthen the government's ability to respond to corruption by gathering information on suspicious financial transactions and concludes that the Government of Ecuador "has made progress in combating money laundering in recent years with the passage of anti-money laundering legislation and the establishment of an operational financial intelligence unit."

The ATPA will continue to play an important role in Ecuador's overall economy and its capacity to dedicate resources to counternarcotics efforts. Given the current global economic recession and the steep drop in prices for crude oil, which is Ecuador's main export, other ATPA dependent industries such as the fresh cut flower, broccoli, shrimp,

¹ The INCSR can be found at:

<http://www.state.gov/p/inl/rls/nrcrpt/2009/index.htm#>

textile, and banana industries will remain important sources of employment and revenues for the country.

As a dollarized economy which lacks the flexibility to appreciate or devalue its currency in order to deal with fiscal and balance of payments problems, Ecuador has taken a number of measures to protect the country's liquidity including the establishment of temporary balance of payments safeguards that are in compliance with World Trade Organization (WTO) notification procedures and agreements. In this time of economic uncertainty, therefore, the ATPA benefits act as a stabilizing force for Ecuador.

II. The Importance of the ATPA Within the Context of Ecuador's Political Reforms:

Trade figures reveal that in the 18 year period since 1991 when the Andean Trade Preference Act first came into existence, trade between Ecuador and the United States has increased dramatically. This expansion in trade has worked to the benefit of both countries by:

- 1) generating jobs in both Ecuador and the U.S.;
- 2) lifting hundreds of thousands of Ecuadorians out of poverty;
- 3) containing the spread of illicit drug production and narcotics trafficking in Ecuador, the U.S., and the broader Hemisphere;
- 4) contributing to the political and economic stability of Ecuador; and
- 5) consolidating long-standing commercial, political, and cultural ties between both countries.

The preferential access the ATPA provides Ecuadorian exporters to the U.S. market has spurred the growth of a number of non-traditional industries that employ hundreds of thousands of Ecuadorians and have helped to reduce poverty levels. The program's duty benefits have also encouraged private sector investment in the economy with a heavy participation from U.S. based investors. In addition, the ATPA has led to the consolidation of export production chains which have resulted in the development of truly globalized industries that can compete and export anywhere in the world.

President Rafael Correa took office in late 2006 with a mandate from the electorate to root out corruption, combat crime, reduce poverty, strengthen Ecuador's weakened political institutions, and consolidate the country's democracy. President Correa has taken these challenges head on. In early 2007 he called for the establishment of a Constitutional Assembly which drafted a new constitutional framework that was ratified by a majority of Ecuadorians during a referendum in September of 2008.

In addition, President Correa has taken a number of concrete steps to reduce corruption and strengthen the rule of law by holding those guilty of crimes committed in previous administrations accountable for their actions. Not surprisingly, after years of instability and inaction by successive governments, President Correa's administration has garnered the support of a majority of Ecuadorians and enjoys approval ratings of 80%. The ultimate objective is to build a political structure that is more responsive to the concerns

of the Ecuadorian population and will alleviate the poverty that affects the majority, and in particular the indigenous peoples and Afro-Ecuadorian minorities.

Within the context of the Correa administration's political reforms, the ATPA plays a fundamental role in ensuring Ecuador's continued economic stability, its commercial diversification, and its ability to maintain viable, labor-intensive, export industries.

III. The Impacts of the ATPA and Trade with Ecuador on the US Economy:

While the asymmetries in size between the economies of Ecuador and the U.S. are substantial -- Ecuador has a population of 13.9 million and a per capita GDP of \$4500, while the U.S. has a population of 303 million and a per capita GDP of \$44,000 that is ten times as large -- a robust trading relationship exists between both countries.

The U.S. is currently Ecuador's largest trading partner being the market for 45% of Ecuador's total global exports according to 2008 figures. In addition, the composition of what Ecuador and the U.S. buy from and sell to each other is largely complementary. Ecuador's exports to the U.S. are mainly oil and derivatives; minerals; bananas; niche agricultural products such as broccoli, mangoes, and flowers; pouched tuna; and farmed shrimp and fish. Most of these products enter the U.S. duty free under the ATPA.

Trade between Ecuador and the U.S. has witnessed major developments in recent years thanks in part to the ATPA. According to the U.S. Department of Commerce from 2002 to 2008, exports from Ecuador to the U.S. more than quadrupled from \$2.1 billion to \$8.5 billion. While the bulk of Ecuador's exports are related to crude oil (approximately 80%) which is of strategic importance to the U.S. as worldwide prices for oil continue to increase, a significant portion of Ecuador export revenues, are also dependent on the ATPA and are new industries that got started under this program. Non-oil ATPA dependent industries generated revenues of \$504 million in 2007 according to Ecuadorian government figures. A study commissioned by the Ecuadorian Ministry of Trade found that roses, broccoli, pigeon peas, and pineapple exports to the U.S. -- all of them covered by the ATPA -- grew by 30% from 2003 to 2005. It is important to note that many of the producers in these industries are medium to small businesses that have invested heavily in improving their standards in order to export to the U.S. market.

For its part, US exports to Ecuador were valued at \$3.4 billion in 2008 according to US Department of Commerce figures. US exports to Ecuador tripled in value in the six year period from 2002 where they stood at \$1.6 billion. The bulk of the US' exports is constituted by machinery related to the oil industry and refined oil products. The growth in trade between both countries is proof that the ATPA is a mutually beneficial program. It is also indicative that as the Ecuadorian economy grows, the country's demand for imports grows as well. As is the case with other Latin American economies, a higher percentage of the revenues generated by Ecuadorian exports to the U.S. is spent on U.S. goods than is the case with Asian economies.

The Ecuadorian flower industry estimates, for example, that up to 75% of every dollar generated by sales of Ecuadorian flowers in the U.S. is in turn spent on US goods and services such as U.S. air, maritime, and ground carriers, fertilizers, seeds, packaging materials, and other inputs necessary for the flower business. In addition, a large portion of the investment in the Ecuadorian flower industry originates in the U.S. These activities generate a large number of jobs among US ports, transportation and distribution networks, wholesalers, and retail companies. According to the ITC's 2005 report on the matter, imported flowers generate approximately 226,000 direct and indirect jobs in the U.S. Since Ecuador is the second largest exporter of flowers to the U.S. in the world a large portion of these jobs can be attributed to trade with Ecuador. According to an official report by the Ecuadorian government up to 50,000 jobs in Florida depend on the trade in flowers with Ecuador.

A similar picture of beneficial impacts on the US economy can be drawn for other important Ecuadorian export industries such as the bananas, pouched tuna, broccoli, and textiles/apparel. In the latter case, for example, the U.S. supplies more than 90% of Ecuador's cotton needs.

Unfortunately, many of these gains have stopped or been reversed as a result of the global economic crisis which started in late 2008. These losses are in the process of being quantified but they are significant and are being felt at all levels of Ecuadorian society. Nonetheless, the losses would be magnified without the preferential duty access granted by the ATPA

IV. Impacts of the ATPA on Drug Eradication Efforts:

As indicated in the introduction, Ecuador has been one of the success stories in regional efforts to eradicate coca-leaf and other narcotics production. Whereas recent United Nations (UNDP) studies show that coca-leaf and opium production has increased as a whole in the Andean region in recent years, Ecuador has managed to control such production within its own borders notwithstanding the difficulties in the broader Andean region.

Ecuador has achieved these successes by: 1) aggressively eradicating any acreage dedicated to drug production; 2) seizing drugs being trafficked through Ecuadorian territory; 3) passing and enforcing legislation designed to control money laundering; 4) controlling the trade in precursor chemicals used to process drugs; and 5) cooperating closely with U.S. agencies such as AID through such programs as the UDENOR in the northern border areas. According to a 2006 UN report, Ecuador came in sixth place in terms of total seizures of cocaine in the world.

The ATPA program has played a key role in these successes by encouraging the development of new industries and the creation of legal employment opportunities. Moreover, some of the ATPA dependent industries such as flowers and broccoli are concentrated in the north-central highland areas of Ecuador near the Colombian border.

As such, these industries have helped to prevent the establishment of coca-leaf and opium growing operations coming from Colombia.

On a case by case basis, the following is a summary of the revenues generated and jobs that are dependent on some of the leading non-petroleum ATPA dependent industries:

A. Flowers:

According to the Association of Flower Growers and Exporters, the rapidly growing flower industry generates approximately 130,000 direct and indirect jobs of which 60% correspond to female heads of household. For example, rose exports to the US, which account for the bulk of Ecuador's flower trade, grew from \$79 million to \$175 million from 2001 to 2005.

Nearly 20,000 jobs in this industry would be lost if the ATPA is not extended as reported by the Ecuadorian Ministry of Trade. It is important to note that about 68% of Ecuador's flower production takes place in the provinces located near the Colombian border.

B. Broccoli:

The broccoli industry reportedly accounts for 15,000 direct and indirect jobs and is similarly located in the strategic north-central highlands. Broccoli exports to the US reportedly grew from \$770,000 in 2000 to \$17 million in 2006.

It is estimated that 3000 jobs would be lost in the broccoli industry without ATPA and the industry would witness a 60% drop in export revenues since Mexico and Guatemala, both of which have free trade agreements with the U.S. and are major broccoli producers, would be well-positioned to take over Ecuador's market share.

C. Pineapples:

Ecuador is the second largest supplier of pineapples to the U.S. Revenues generated by exports to the U.S. stood at \$12 million in 2006 with approximately 50,000 jobs dependent on this industry of which 15,000 would be lost if the ATPA was not renewed.

D. Tuna/Fish:

The canning industry in Ecuador reports that the processing and extracting activities in this industry employ 23,500 persons directly and another 20,000 to 30,000 indirectly. According to 2006 data, revenues generated by this industry stood at \$76 million.

E. Textiles & Apparel:

According to the Ecuadorian textile industry association, up to 150,000 direct and indirect jobs depend on this industry, in addition to the 900 families employed in the production of cotton.

As can be observed, employment in a number of growing industries would be severely impacted without the ATPA. According to an official government report, up to 350,000 jobs would be lost or jeopardized in Ecuador should the ATPA not be renewed. Of significant social importance is that a majority of the workers in these industries are female heads of household who have remained in Ecuador to raise their families, while their spouses live and work abroad and contribute to their families' livelihoods through remittances.

Without ATPA Ecuador would also see a 13% drop in its ATPA dependent exports, or the equivalent of close to \$30 million in losses as other countries displaced its U.S. market share. Such prospects would not only destabilize these industries but they could potentially weaken the to date successful efforts by Ecuador and the U.S. to contain drug production and narcotrafficking in Ecuador.

V. ATPA, Ecuador, and Regional Stability:

Notwithstanding Ecuador's successes in the War on Drugs, Ecuador has been impacted by narcotrafficking and by the political strife in neighboring Colombia. Some of the impacts are as follows:

- Although glyphosate spraying activities by Colombia, which are designed to eradicate coca-leaf production, have ceased near the border, Ecuador's northern agricultural areas are still recovering from the many impacts and sideeffects for the years during which the spraying took place. "Ecuador brought suit against Colombia at the International Court of Justice in The Hague in Marchm 31th 2008. A final determination on the case is pending."
- Organized crime and violent gang activity from neighboring Colombia is increasingly affecting Ecuador;
- Ecuadoran ports and airports are being used as transshipment points by narcotrafficking syndicates and their money laundering activities cause distortions in the local economy;
- The oil pipelines leading from the Amazon rainforest to the coast are repeatedly ruptured by narcotrafficking groups in order to steal oil that is subsequently transported to Colombia and used in illicit drug production. The severe impacts on sensitive ecologies of these actions are unquantifiable;

It is also important to note that Ecuador has acted as a "safety valve" by receiving up to 500,000 Colombians into its territory, which have strained the country's health, housing, and educational infrastructures. This population is equivalent to 3.6% of Ecuador's total population of nearly 14 million. Extrapolated to the U.S., this percentage would represent 11 million persons out of a total US population of over 300 million. According to the Ministry of Foreign Affairs during the 2000 to 2007 period, Ecuador received 45,000 requests for refuge from Colombians.

Most of the Colombian refugee and displaced population lives in the border areas with that country where they are employed primarily in agricultural activities, and where they rely on local services and infrastructure. Many of the agricultural activities that employ this Colombian population are dependent on the ATPA. Should the ATPA not be renewed, a substantial number of Colombians residing in Ecuador would be impacted and may be required by such circumstances to return to Colombia where the inflow of a large number of unemployed returnees could have negative impacts on President Uribe's pacification and drug eradication efforts.

VI. Conclusion:

President Correa's efforts to strengthen the country's political institutions are designed in part to help to counter the scourge of narcotrafficking which preys more easily on weak institutions and politically unstable governments. Ecuador is clearly doing its part in the War on Drugs.

As stated earlier, the ATPA has been an invaluable tool in limiting the spread of illicit drug production and narcotrafficking within Ecuador by spurring economic growth in new industries and generating substantial licit employment opportunities. The growth of these industries in Ecuador has also benefited the U.S. as increased imports generate new jobs in import-related activities. Non-renewal of the program could put many of these gains at risk and provide an opportunity for narcotraffickers to regroup.

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Invoice

Government of Ecuador
Maria del Carmen Velásquez
2535 15th St.
Washington, DC 20009

2/3/2009

Invoice # 713

Account # 108-1

Description		Amount
Professional services on behalf of the Government of Ecuador during the period February - April, 2009.		48,000.00
Federal EIN 52-2233399	New Charges	\$48,000.00

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2/3/2009

Invoice # 714

Account # 108-2

Description		Amount
Fedex to Embassy, Nov 21, 2008		7.53
Cab fares office to Embassy and return, 1/6		25.00
Cab fares office to Embassy and return, 1/13		19.00
Cabs for meeting on 1/29		25.00
Fee for WITA event on 2009 Outlook for Trade		30.00
Total Reimbursable Expenses		106.53
		2009 JUN -2 AM 10:56 CRM/CES/REGISTRATION UNIT
Federal EIN 52-2233399	New Charges	\$106.53

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4/1/2009

Invoice # 780

Account # 108-2

Description	Amount
<p>Expenses in March</p> <p>Taxis to/from Senate hearings re USTR Kirk confirmation, 3/9. 16.00</p> <p>Taxis to/from meetings at Embassy and trade event at Carnegie, 3/17. 33.00</p> <p>Taxis to/from Embassy for meetings, 3/24. 15.00</p> <p>Taxis to/from meetings with Ways and Means staff re status of ATPDEA, 3/31. 16.00</p> <p>Taxis to/from Embassy for meetings, 3/17. 18.00</p> <p>Taxis to/from Embassy for meetings, 3/27. 21.00</p> <p>Taxis to/from meetings, 3/30. 7.00</p> <p>Fee for WITA breakfast with Rep. Levin on trade agenda, 3/11 30.00</p> <p>Fee for WITA breakfast with Rep. Levin re trade agenda, 3/11. 30.00</p> <p>Total Reimbursable Expenses 186.00</p>	
Federal EIN 52-2233399	New Charges \$186.00

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3/4/2009

Invoice # 745

Account # 108-2

Partner	Date	Hours	Rate	Description	Amount
Reimb Group				EXPENSES IN FEBRUARY	
	2/11/2009		6.74	FedEx - Embassy of Ecuador	6.74
	2/16/2009		164.40	Translation Contrato Version con Cambios de Isabel	164.40
	2/2/2009		11.00	Taxi fare 2/2	11.00
	2/3/2009		19.00	Taxi fare 2/3	19.00
	2/10/2009		39.00	Taxi fares 2/10	39.00
	2/28/2009		23.00	Taxi fares 2/28	23.00
	2/26/2009		20.00	Taxis to and from Nicaraguan Embassy to meet State Department and Latin Embassy officials.	20.00
	2/20/2009		11.13	Conference call with head of American Chamber of Commerce in Ecuador re balance of payment issue.	11.13
				Total Reimbursable Expenses	294.27
				New Charges	\$294.27

Wire Transfer Information:

Account Name: DTB Associates
 Account Number: 2574300122
 ABA Routing Number: 255071981
 Chevy Chase Bank, Bethesda, MD 20814
 Federal EIN 52-2233399

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Invoice

Government of Ecuador
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Washington, DC 20009

5/5/2009

Invoice # 823

Account # 108-2

Description		Amount
Expenses		
Taxi to video conference at Embassy.		12.00
Taxi to meeting, April 6.		8.00
Taxis to meeting, April 17.		19.00
Taxis to meeting, April 27.		19.00
Research and compilation of U.S. imports from Ecuador		360.00
Total Reimbursable Expenses		418.00
		2009 JUN -2 AM 10:56 CRM/CES/REGISTRATION UNIT
Federal EIN 52-2233399	New Charges	\$418.00